



State of California

Employment Training Panel

Arnold Schwarzenegger, Governor

July 30, 2009

Gil Garcia, Chief Financial Officer
El Clasificado
11205 Imperial Hwy.
Norwalk, CA 90650

Dear Mr. Garcia:

RE: FINAL MONITORING VISIT REPORT for EL CLASIFICADO III SBP <100 – ET080134

Date of the Visit:	07/30/09
Beginning/Ending Time:	9:30 a.m. - 11:30 a.m.
Date of Last Visit:	10/06/08
Visit Location:	Norwalk
Persons in attendance:	Elaine Sanchez, Director of Human Resources, El Clasificado Margarita M. Paccarelli, ETP Contract Analyst
Action Required:	No

CONTRACT INFORMATION:

Term of Agreement:	07/06/07 – 07/05/08	Agreement Amount:	\$36,938
Training Start Date:	07/09/07	No. to Retain:	73
Date Training must be Completed:	04/05/08	Range of Hours:	8 - 100
Type of Trainee:	Retrainee	Weighted Ave. Hours:	23

FINAL REPORT SUMMARY

• HISTORY OF AGREEMENT CHANGES

The Agreement was executed on September 14, 2007 and training began on July 9, 2007. Ms. Sanchez reported that all training was completed on July 5, 2009, which allowed for the 90-day retention period to be completed within the term ending date of the Agreement – July 5, 2009.

SACRAMENTO CENTRAL OFFICE
1100 J Street, 4th Floor
SACRAMENTO, CA 95814
(916) 327-5640

N. HOLLYWOOD REGIONAL OFFICE
4640 Lankershim Blvd., Suite 311
NORTH HOLLYWOOD, CA 91602
(818) 755-1313

S.F. BAY AREA REGIONAL OFFICE
1065 East Hillsdale Blvd, Suite 415
FOSTER CITY, CA 94404
(650) 655-6930

SAN DIEGO REGIONAL OFFICE
5353 Mission Center Road, Suite 110
SAN DIEGO, CA 92108
(619) 686-1920

During the term of this Agreement, ETP approved the following amendments:

- Change of Agreement Signatory - ETP was informed that you replaced Julian Ortiz, who left the company, as the new signatory to this Agreement.
- Modification No. 1, executed on March 27, 2008, extended the contract term by five months.
- Amendment No. 2, executed on November 21, 2008, added ETP funds to your Agreement for additional training hours and increased the weighted average from 23 to 46 hours. According to your project staff, a conservative training plan was submitted to the Panel when this project was initially presented in June 2007. Since then, your company has implemented new strategies, such as expanding your service area into new geographic markets, increasing product line to include new media options, and improving areas of digital technologies and management techniques to better handle the rapid market change.

With the additional training, the term date was also extended for an additional seven months to end on July 5, 2009. This Amendment will also increased the health benefits from \$0.86 to \$1.15 per hour.

- Modification No. 3, executed on February 26, 2009, increased the maximum class/lab hours from 60 to 100 for trainees who need additional training in the company's digital products. Your company used existing funds for the additional training since some trainees needed less training hours as originally planned in this Agreement.

• FINAL PROJECT STATISTICS

Project Statistics Provided by the Contractor

Trainees Started Training:	106	Currently in Training:	0
Trainees Enrolled:	106	Completed Training:	86
Dropped Following Enrollment:	20	Completed Retention:	86

This Agreement contains a variable training plan, which means that reimbursement will be based on the total actual number of training hours completed by each trainee between 8 and 100 training hours. There will be no reimbursement for any trainee who does not complete a minimum of 8 hours of training from the approved curriculum.

Based on the data obtained from the ETP Online Tracking System, there are 86 trainees who met the minimum class/lab training hours. These trainees completed 3,430.27 class/lab hours. Although the projected earning based on the total hours is \$74,908, your company will only receive \$73,876, which is total Agreement amount. With progress payments of \$55,407 to date, your company will receive an additional \$19,501, if the anticipated number to retain is verified during the final fiscal closeout.

• **INTERVIEW WITH CONTRACTOR'S REPRESENTATIVES**

According to Ms. Sanchez, the ETP training helped increase the business so significantly that the company has added its services to a new media (i.e. online website, banner, ads, and links) which keeps them competitive in their industry.

Ms. Sanchez also stated that your company did not experience any problem with ETP record keeping and that ETP staff was very helpful in providing assistance in the administration of this project. She also stated that the ETP Online Systems are user-friendly and accessible anywhere at anytime. She looks forward to continuing El Clasificado's relationship with ETP which will allow your company to provide competitive skills to employees and keep your company viable in California.

TRAINING RECORDS

Ms. Pacerelli conducted a random sampling of 15 trainees who completed training. Records reviewed validated the completion of the training hours required in this Agreement. Records show that these trainees completed between 8.25 and 73 class/lab training hours and the completed hours matches those posted on the ETP Online Tracking System. Records reviewed confirmed that the Agreement curriculum was provided as specified and the ratio of trainer to trainee delineated in the Agreement training plan was adhered to.

The above findings are based only on the training records reviewed during this visit and represent only a sample of the training records completed to date. Therefore, it is your responsibility to ensure that all training records comply with Panel requirements for auditing purposes. (Reference: Title 22 California Code of Regulations, Section 4442)

AUDIT

Your company will be notified in writing if this agreement is selected for an audit that will be conducted either at your site (field audit) or by telephone if selected for a desk review. These notifications will be sent in advance to allow ample preparation time and will include a list of documentation that will be examined by the auditor. A list of the documentation typically examined during an audit will be included along with the Audit Notification and Audit Confirmation letters.

To provide support of training, original training attendance documentation is required; photocopied records are not acceptable. Listed below are types of records typically requested during an ETP field audit:

- Training attendance records such as rosters, sign-in sheets, etc.
- Payroll records of individual trainees to verify wage and hours worked
- Personnel records regarding occupation and dates of employment
- Documentation of employer paid health benefits (if applicable)
- Cash receipts to verify receipt and accounting of ETP funds

RECORD RETENTION

Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

If you have any questions or comments regarding this report, please contact Margarita Paccereili at (818) 755-1317 or by email at mpaccereili@etp.ca.gov within ten (10) working days from the receipt of this report.

Sincerely,

Signature on file

Wally Aguilar, Manager
North Hollywood Regional Office

Signature on file

Margarita M. Paccereili, Contract Analyst
North Hollywood Regional Office

cc: David Guzman, Chief, ETP Audit & Program Operations Division (via email)
Kulbir Mayall, ETP Fiscal Manager (via email)
Elaine Sanchez, El Clasificado (via email)
Master File
Project File

Date report mailed to Contractor 8/10/09